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2006-76-C

March 8, 2006

Mr. Charles L. A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
Synergy Business Park, The Saluda Building  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: Home Telephone Company, Inc.  
Alternative Regulation Plan Pursuant to S.C. Code Ann. § 58-9-576

Dear Mr. Terreni:

Enclosed for filing on behalf of Home Telephone Company, Inc. ("Home"), please find an original and ten (10) copies of an Alternative Regulation Plan.

On January 18, 2006, the Commission approved a local interconnection agreement between Home and MCImetro Access Transmission Services, LLC ("MCI"). Pursuant to S.C. Code Ann. § 58-9-576(A), any LEC may elect the alternative regulation plan described in S.C. Code Ann. § 58-9-576(B) if the Commission has approved a local interconnection agreement in which the LEC is a participant with an entity determined by the Commission not to be affiliated with the LEC. An Affidavit of William S. Helmly is being filed with this Plan to certify that Home is not affiliated with MCI.

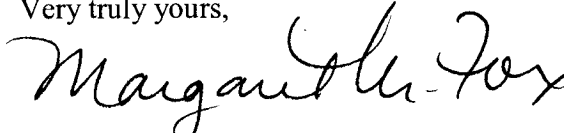
Therefore, having met the statutory requirement for election of alternative regulation, Home hereby elects to have its rates, terms and conditions determined pursuant to the plan described in S. C. Code Ann. § 58-9-576(B), as set forth in the attached Alternative Regulation Plan, effective April 7, 2006.

In addition to the Alternative Regulation Plan and Affidavit of William S. Helmly, we are also enclosing a proposed Notice of Filing for the Commission's convenience.

Please clock in a copy of this filing and return it with our courier.

Thank you for your assistance.

Very truly yours,

  
Margaret M. Fox

Enclosures

cc: C. Dukes Scott, Esquire  
H. Keith Oliver

**HOME TELEPHONE COMPANY, INC.  
ALTERNATIVE REGULATION PLAN  
PURSUANT TO S.C. CODE ANN. § 58-9-576**

Filed March 8, 2006  
Effective April 7, 2006

1. Introduction

Pursuant to S.C. Code Ann. § 58-9-576(A), any local exchange carrier ("LEC") may elect to have the rates, terms, and conditions of its services determined pursuant to the alternative regulation plan described in S.C. Code Ann. § 58-9-576(B), provided the Public Service Commission of South Carolina ("Commission") has approved a local interconnection agreement in which the LEC is a participant with an entity determined by the Commission not to be affiliated with the LEC. The Commission has approved such an agreement for Home Telephone Company, Inc. ("Home"), and Home hereby elects to have the rates, terms, and conditions of its services determined pursuant to the alternative regulation plan described herein (the "Plan"), which conforms with the plan described in S.C. Code Ann. § 58-9-576(B).

In its regular agenda session on January 18, 2006, the Commission approved an interconnection agreement between Home and MCImetro Access Transmission Services, LLC ("MCI"). An Affidavit of William S. Helmly is being filed with this Plan to certify that Home is not affiliated with MCI.

The Plan described herein is in lieu of other forms of regulation including, but not limited to, rate of return or rate base monitoring or regulation.

2. Effective Date

The effective date of the Plan is April 7, 2006, which is not sooner than thirty days after filing with the Commission notice of election of the Plan. The Plan will apply to all local services offered by Home that are regulated by the Commission.

3. The Plan

- a. As of March 8, 2006, the date of notice of election of the Plan, existing rates, terms, and conditions for the services provided by Home contained in Home's then-existing tariffs and contracts are considered just and reasonable.
- b. Home is a "small LEC" for purposes of S.C. Code Ann. § 58-9-576(B)(3). S.C. Code Ann. § 58-9-10(14) defines "small LEC" to mean a "rural telephone company" as defined in the federal Telecommunications Act of 1996.

- c. Although Home is a “small LEC” for purposes of S.C. Code Ann. § 58-9-576(B)(3), Home’s flat-rated local exchange services for residential and single-line business customers are currently priced at the statewide average local service rates for those services, weighted by number of access lines, as shown in Home’s local service tariff on file with the Commission. Therefore, the requirements of S.C. Code Ann. § 58-9-576(B)(3) and (4) are not waived for Home, and Home’s residential and single-line business rates shall be frozen for a period of two years from the date of election of this Alternative Regulation Plan and, after the expiration of the two-year period, may be adjusted on an annual basis pursuant to an inflation-based index.
- d. Home will set rates for all other services on a basis that does not unreasonably discriminate between similarly situated customers. All such rates are subject to a complaint process for abuse of market position in accordance with Commission rules and procedures.
- e. Except when exempted by law, Home will file tariffs for price changes or new services with respect to its local exchange services (including residential and single-line business services) that set out the terms and conditions of the services and the rates for such services. Tariffs will be presumed valid and become effective seven days after filing for price decreases and fourteen days after filing for price increases and new services.
- f. As provided for in S.C. Code Ann. § 58-9-576(B), the Plan applies in lieu of rate of return or rate base regulation. Thus, the procedures set forth above for changes in rates are to be used in lieu of traditional rate-of-return procedures for determining rates, terms, and conditions for service, as found in S.C. Code Ann. §§ 58-9-510 through –570 and in 26 Code Ann. Regs. 103-834(A)(3).

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

Docket No. 2006-\_\_\_\_\_-C

IN RE:	Home Telephone Company, Inc. Alternative	)	<b>AFFIDAVIT</b>
	Regulation Plan Filed Pursuant to S.C. Code	)	<b>OF</b>
	Ann. § 58-9-576	)	<b>WILLIAM S. HELMLY</b>
	_____	)	


STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

PERSONALLY APPEARED BEFORE ME the undersigned WHO, BEING DULY  
SWORN, deposed and said:

1. My name is William S. Helmly. I am employed by Home Telephone Company, Inc. (the "Company") as its President and Chief Operating Officer. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company.
2. Home Telephone Company, Inc., hereby certifies that it is not affiliated with MCImetro Access Transmission Services, LLC.

FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
William S. Helmly  
President and Chief Operating Officer

Subscribed to and sworn before me this 7th day of March, 2006.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR SOUTH CAROLINA

Debra D. McGriff  
\_\_\_\_\_  
(Print Name of Notary)  
My Commission Expires: September 28, 2009

**{HOME TELEPHONE COMPANY PROPOSED NOTICE OF FILING}**

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**DOCKETING DEPARTMENT**

**NOTICE OF FILING**

**DOCKET NO. 2006-\_\_-C**

Home Telephone Company, Inc. ("Home Telephone") has filed with the Public Service Commission of South Carolina ("Commission") a request to have its rates, terms and conditions determined pursuant to the plan described in S.C. Code Ann. § 58-9-576(B). Pursuant to S.C. Code Ann. § 58-9-576(A), any local exchange carrier ("LEC") may elect to have the rates, terms and conditions of its services determined pursuant to the alternative regulation plan described in S.C. Code Ann. § 58-9-576(B), provided the Commission has approved a local interconnection agreement in which the LEC is a participant with an entity determined by the Commission not to be affiliated with the LEC. The Commission has approved such an agreement on January 18, 2006 between Home Telephone and MCImetro Access Transmission Services, LLC ("MCI"). Home Telephone elects to have its rates, terms, and conditions determined pursuant to the Plan described in S.C. Code Ann. § 58-9-576(B) as set forth in its Alternative Regulation Plan, effective date April 7, 2006.

A copy of the Application is on file in the offices of the Commission, 101 Executive Center Drive, Columbia, South Carolina 29210, the Commission's web site at [www.psc.sc.gov](http://www.psc.sc.gov), and is available from Margaret M. Fox, Esquire, Post Office Box 11390, Columbia, South Carolina 29211. Interested persons may contact the Commission or counsel for PBT for additional information concerning the Plan. ***Please refer to Docket No. 2006-\_\_-C.***

Persons seeking information about the Commission's Procedures should contact the Commission at (803) 896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, South Carolina 29211

MAR-\_\_-06